

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2012**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/12/2012 RM '000	Preceding Year Corresponding quarter ended 31/12/2011 RM '000	Current Year to date 31/12/2012 RM '000	Preceding Year Corresponding period 31/12/2011 RM '000
Revenue	20,573	27,133	47,206	50,723
Cost of sales	(16,712)	(22,266)	(37,932)	(39,641)
Gross profit	3,860	4,867	9,273	11,082
Operating expenses	(4,550)	(3,995)	(8,930)	(8,765)
Finance cost	-	(3)	(2)	(10)
Other income	851	1,507	1,680	2,039
Profit before tax	161	2,376	2,021	4,346
Tax expense	(234)	(663)	(850)	(1,495)
(Loss)/profit for the period	(73)	1,713	1,171	2,851
Other comprehensive (loss)/income :-				
Available-for-sale financial assets	99	52	102	48
Currency translation differences for foreign operations	(272)	699	440	781
Reclassification adjustment on :-				
Derecognition of available-for-sale financial assets	(198)	(14)	(220)	(18)
Impairment of available-for-sale financial assets	-	-	47	-
Total comprehensive (loss)/income for the period	(444)	2,450	1,540	3,662
(Loss)/profit for the period attributable to :-				
Owners of the parent	(159)	722	(12)	1,445
Non-controlling interest	86	991	1,183	1,406
	(73)	1,713	1,171	2,851
Total comprehensive (loss)/income attributable to :				
Owners of the parent	(491)	1,162	80	1,915
Non-controlling interest	46	1,288	1,460	1,747
	(444)	2,450	1,540	3,662
(Loss)/earnings per share (sen)				
- Basic / diluted	(0.24)	1.07	(0.02)	2.15

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2012)

KOBAY TECHNOLOGY BHD.

(Co. No. 308279-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012

	(Unaudited) As at current financial year 31/12/2012 RM '000	(Audited) As at preceding financial year 30/06/2012 RM '000
Assets		
Non-Current Assets		
Property, plant and equipment	58,738	58,433
Land held for property development	13,243	13,241
Available-for-sale financial assets	2,096	2,328
Intangible assets	227	219
	74,304	74,221
Current Assets		
Inventories	8,657	10,438
Trade and other receivables	20,279	24,766
Financial assets at fair value through profit or loss	-	2
Loan receivables	67	576
Tax assets	2,131	1,577
Cash & cash equivalents	33,239	58,647
	64,373	96,006
Total Assets	138,676	170,227
Equity		
Share capital	68,081	68,081
Reserves		
Treasury shares	(888)	(888)
Share premium	1,680	1,680
Capital reserve	204	108
Fair value reserve	11	82
Currency translation reserve	825	222
Retained profit	48,826	39,920
	50,658	41,124
Equity attributable to owners of the parent	118,739	109,205
Non controlling interest	2,073	40,551
Total Equity	120,812	149,756
Non-Current Liabilities		
Hire purchase creditors	-	114
Deferred income on government grant	62	82
Deferred taxation	3,647	3,627
	3,709	3,823
Current Liabilities		
Trade and other payables	13,850	16,449
Hire purchase creditors	-	100
Tax liabilities	306	99
	14,156	16,648
Total Liabilities	17,865	20,471
Total Equity and Liabilities	138,676	170,227
Net assets per ordinary share attributable to owners of the Parent(RM)	1.76	1.62

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2012)

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012**

	(Unaudited) Period Ended 31/12/2012 RM '000	(Unaudited) Period Ended 31/12/2011 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax :		
Continuing operations	2,021	4,346
Adjustments for:		
- Non-cash items	2,905	2,690
- Non-operating items	(636)	(796)
Operating profit before changes in working capital	<u>4,290</u>	<u>6,240</u>
Changes in working capital:		
- Net change in current assets	6,320	3,863
- Net change in current liabilities	(2,847)	(724)
Net cash generated from operating activities	<u>7,763</u>	<u>9,379</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of shares from Non-controlling interest	(29,484)	(10)
Purchase of land held for property development	(2)	(5,321)
Purchase of property, plant and equipment	(3,052)	(2,298)
Other investments	232	4
Net cash used in investing activities	<u>(32,306)</u>	<u>(7,625)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(60)	(54)
Repayment of hire purchase	(214)	-
Net cash used in financing activities	<u>(274)</u>	<u>(54)</u>
Currency translation differences	(591)	317
Net Change in Cash & Cash Equivalents	(25,408)	2,017
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>58,260</u>	<u>61,215</u>
CASH & CASH EQUIVALENTS AS AT END OF THE PERIOD	<u>32,852</u>	<u>63,232</u>
CASH & CASH EQUIVALENTS AS AT END OF THE PERIOD		
Highly Liquid Investments	2,053	13,230
Deposits not pledged	20,413	41,051
Cash & bank balances	10,386	8,951
	<u>32,852</u>	<u>63,232</u>

Note: Deposits amounting to RM386,721 (30.06.2012: RM386,721) have been pledged to local banks for bank guarantee facilities obtained by the Group as at 31st December 2012. As such, these amounts are not included as cash and cash equivalents as at the aforementioned dates.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2012)

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012**

Group	Attributable to owners of the Parent						Distributable	Sub-total	Non-controlling Interest	Total Equity
	Share capital	Treasury shares	Share premium	Fair Value reserve	Legal reserve	Translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
CURRENT PERIOD										
As at 1 July, 2012	68,081	(888)	1,680	82	108	222	39,920	109,205	40,551	149,756
Acquisition of shares from Non-controlling interest	-	-	-	-	96	440	8,918	9,454	(39,878)	(30,424)
Total comprehensive (loss)/income for the period	-	-	-	(71)	-	163	(12)	80	1,460	1,540
Transactions with owners										
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(60)	(60)
Balance as at 31 December, 2012	68,081	(888)	1,680	11	204	825	48,826	118,739	2,073	120,812

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2011**

Group	Attributable to owners of the Parent						Distributable	Sub-total	Non-controlling Interest	Total Equity
	Share capital	Treasury shares	Share premium	Fair Value reserve	Legal reserve	Translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
CURRENT PERIOD										
As at 1 July, 2011	68,081	(888)	1,680	73	-	55	42,780	111,781	38,731	150,512
Total comprehensive income for the period	-	-	-	31	-	439	1,445	1,915	1,747	3,663
Transactions with owners										
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(54)	(54)
Acquisition of subsidiary companies	-	-	-	-	-	-	-	-	153	153
Balance as at 31 December, 2011	68,081	(888)	1,680	104	-	494	44,225	113,696	40,577	154,273

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012)